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TO: ALL AMERICAN DIPLOMATIC AND CONSULAR POSTS

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1976 APR 14 PM 9:

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Summary

This XXXXX airgram requests all posts to provide by cable the information outlined in paragraphs 2 and 4 below for all USG claims, as distinct from debts, of foreign governments in excess of five hundred thousand dollars. (Claims of nationals of the U.S. against foreign governments are excluded). END TREASURY

1. During recent hearings before the Subcommittee on Legislation and National Security, House Committee on Government Operations, Congressman Brooks, Chairman of both the Subcommittee and the Committee urged that Congress be provided with a periodic report, on U.S. Government claims against foreign governments.

DEPARTMENT OF STATE A/CDC/MR
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FORM DS-323

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In the course of discussion, Mr. Brooks acknowledged many of the difficulties involved in a claims reporting system. However, he made clear that, unless the Administration was responsive to the Committee's request to provide systematic reporting on U.S. claims, Congress was likely to mandate such a report. Given recent legislative action on debt arrearages which utilize cutoffs of appropriations under the Foreign Assistance Act to countries in arrears after certain time periods, we believe it is imperative that we act quickly to provide Congress a satisfactory preliminary reporting of our claims while we have flexibility.

2. We would like to report to Congress along the following lines: identify the foreign government against which U.S. Government claims have arisen; the date on which they arose; whether the amounts involved are small -- one half million dollars to $5 million, medium -- $5 million to $25 million, or larger -- in excess of $25 million; a brief description of the issues involved; and our efforts to resolve them satisfactorily. A standard reporting form is attached for your convenience.

3. A claim against a foreign government is that which the USG asserts, or may in the future wish to assert,

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for an amount of money owed it, but which the foreign government disputes. At such time as the foreign government and the USG agree on a specific amount and terms of payment, the claim becomes a debt. For this report we will only include claims as compared to debts against foreign governments and official agencies. Claims against private foreign persons and entities are excluded.

4. Since the preliminary report has been promised by the end of April, we [redacted] urgently need an updating and/or [redacted] correction of the Washington-prepared reports for those claims about which we are aware. Copies are enclosed for the quick review and completion of the concerned posts. For all posts, please cable information on any other claims that have been overlooked in Washington.

5. We would appreciate your replies by April 28, 1976, so that the first report can be submitted promptly to the Committee as requested by Mr. Brooks.

KISSINGER

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